CAMPAIGN SPENDING COMMISSION STATE OF HAWAII

| In Re the Matter of |) | CA No. 04-10 |
|---|--------------|------------------------|
| DAVID M. MATSUURA and FRIENDS OF DAVID M. MATSUURA |) | CONCILIATION AGREEMENT |
| Respondents |)) _) | |

CONCILIATION AGREEMENT

On or around January 9, 2004, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), upon information received through former State Senator David M. Matsuura's disclosure reports, initiated a review of Friends of David M. Matsuura (Friends of David M. Matsuura to be collectively referred to as "Matsuura" or "Respondents") committee reports.

NOW, THEREFORE, Matsuura and the Commission, having entered into conciliation and pursuant to section 11-216(g), Hawaii Revised Statutes ("HRS"), do hereby agree as follows:

- I. That the Commission has jurisdiction over Matsuura and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Matsuura pursuant to section 11-216(g), HRS.
- III. That Matsuura had a reasonable opportunity to demonstrate that no prior formal administrative enforcement action should be taken in this matter.
- IV. That Matsuura waives the right to be heard at a contested hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Matsuura enters into this Agreement with the Commission on his own volition and with full knowledge and understanding.

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- VI. The parties agree to the pertinent facts and applicable law as follows:
 - (A) The Friends of David M. Matsuura is the candidate committee for former State Senator David M. Matsuura.
 - (B) For the period covering January 1, 2003 through June 30, 2003, Matsuura's disclosure reports reflect campaign expenditure entries for purposes not authorized by sections 11-200 and 11-206, HRS.
 - (C) That those expenditure entries are for airfare (\$1,980.09) and hotel lodging (\$382.55).
 - (D) For purposes of this Agreement the aggregate unauthorized expenditures totaled \$2,038.59.
 - (E) Matsuura contends that none of the violations were knowing and willful acts to circumvent the applicable provisions of the campaign spending law but does not deny that he had knowledge of such expenditures.
- VII. As final settlement of the matters and issues in the Conciliation

 Agreement 04-10, Matsuura understands and agrees to the following:
 - (A) Matsuura shall pay pursuant to section 11-228, HRS, an administrative fine of \$2,038.59 to the Hawaii Election Campaign Fund from David Matsuura's individual and personal funds for allegedly violating sections 11-200 and 11-206, HRS.
 - (B) Payment of the assessment shall be by Order of the Commission.
- VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.
- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.
- X. This Conciliation Agreement constitutes the entire agreement between the Commission and Matsuura on the matters raised herein, and no other

statement, promise, or agreement, either in writing or oral, not contained in this Conciliation Agreement made by either party or by agents of either party shall be enforceable.

XI. This Conciliation Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

ROBERT Y. WATADA

Executive Director

BY THE RESPONDENTS:

DAVID M. MATSUURA/FRIENDS OF DAVID MATSUURA

By:

(Name/Title)

Date